

**CALENDAR ITEM  
C16**

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04/20/17  
PRC 8955.9  
N. Lee

**AMENDMENT OF LEASE**

**LESSEE:**

Humboldt County Resource Conservation District  
5630 South Broadway  
Eureka, CA 95503-6905

**AREA, LAND TYPE, AND LOCATION:**

Sovereign land in the Salt River; and Smith Creek, from Cutoff Slough at Riverside Ranch to Reas Creek, near Ferndale, Humboldt County.

**AUTHORIZED USE:**

Construction, use, and maintenance of Phase I and Phase II of the Salt River Ecosystem Restoration Project, including creation of channels through channel excavation, habitat enhancement, vegetation management, and sediment management in and along the bed of the Salt River for the purpose of restoring historic tidal and hydraulic flows; and temporary construction work areas in Smith Creek.

**LEASE TERM:**

10 years, beginning October 27, 2011.

**CONSIDERATION:**

The public use and benefit; with the State reserving the right at any time to set a monetary rent if the Commission finds such action to be in the State's best interest.

**PROPOSED AMENDMENT:**

Amend the lease to authorize the extension of the construction completion date to October 26, 2021. All other terms and conditions of the lease shall remain in effect without amendment.

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### **STAFF ANALYSIS AND RECOMMENDATION:**

#### **Authority:**

Public Resources Code sections 6005, 6216, 6301, and 6501.1; California Code of Regulations, title 2, section 2000, subdivision (b).

#### **Public Trust and the State's Best Interests Analysis:**

The Lessee has authorization to use the uplands adjoining the lease premises. On October 27, 2011, the Commission authorized a 10-year General Lease – Public Agency Use with the Humboldt County Resource Conservation District (HCRCD) for Phase I of the Salt River Ecosystem Restoration Project ([Calendar Item C24, October 27, 2011](#)). On December 5, 2012, the Commission approved an amendment to the lease to authorize Phase II ([Calendar Item 86, December 5, 2012](#)). The lease will expire on October 26, 2021. The Lessee is now applying to amend the lease to extend the construction completion date.

The restoration project targets approximately 7.5 miles of riparian and channel corridor of the Salt River. The overall goal of the project is to re-connect the Eel River Estuary with a series of five streams draining the Wildcat Mountains by restoring the historic Salt River Channel which connects the mountain streams to the estuary. The project is a collaborative restoration and flood alleviation project intended to address numerous issues that have resulted in a loss of nearly all natural hydraulic functions in the watershed and led to significant annual flooding and water quality issues in the region for many years. The project anticipates restoring the historic tidal prism to the Salt River channel and providing extensive habitat improvements and ecological benefits. To accomplish this goal, the project includes, but is not limited to: channel excavation, habitat enhancement, vegetation and sediment management in and along the bed and associated floodplain and riparian areas of the Salt River channel; and temporary use areas including, but not limited to, coffer dams, water diversion pipelines, fish screens, access and haul roads, fencing, staging areas, and stockpiling areas. The project will be performed in two phases. The first phase begins at Cutoff Slough and ends at Reas Creek, near Port Kenyon. The second phase begins at Reas Creek and extends to approximately 150 feet upstream of the confluence of Williams Creek.

Phase I was completed in 2013. Phase II was anticipated to start in 2014 with the entire restoration project completed by 2016. However, funding restrictions and the amount of sediment that needed to be excavated and hauled made it necessary to break up Phase II into multiple years/multiple sub-phases. Three years of construction, 2013 to 2015, were successfully

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completed on the lower project footprint. The Lessee was unable to complete construction in 2016 due to landowner requests that were not resolved in time for the project to go out to bid. The Lessee worked with the landowners and is ready to move forward with construction activities for 2017. Additional construction on sovereign land will extend beyond 2017. Therefore, the Lessee requested that the construction completion date be extended through the remaining term of the lease to account for any additional unanticipated delays.

The lease includes certain provisions protecting the public's use of the lease area by requiring the Lessee to obtain necessary permits. The lease requires the Lessee to conduct all construction and maintenance work safely and indemnify the Commission in the event of any liability resulting from the proposed action. The lease also has a limited term of 10 years, which allows the Commission flexibility to determine if the Public Trust needs of the area have changed over time.

For all the reasons above, Commission staff believes the issuance of this lease amendment is consistent with the common law Public Trust Doctrine and is in the best interests of the State.

**OTHER PERTINENT INFORMATION:**

1. This action is consistent with Strategy 1.1 of the Commission's Strategic Plan to deliver the highest levels of public health and safety in the protection, preservation, and responsible economic use of the lands and resources under the Commission's jurisdiction.
2. An Environmental Impact Report (EIR), State Clearinghouse No. 2009091125, was prepared for this project by HCRCD and certified on February 24, 2011. Commission staff reviewed such document and Mitigation Monitoring Program prepared pursuant to the provisions of the California Environmental Quality Act (CEQA) (Pub. Resources Code, § 21081.6) and adopted by the lead agency.

The Commission considered the EIR at its October 27, 2011, meeting ([Calendar Item C24, October 27, 2011](#)) for Phase I of the project and again for a lease amendment for Phase II of the project at its December 5, 2012, meeting ([Calendar Item 86, December 5, 2012](#)). As part of the Commission's approval of the lease, the Commission adopted a Mitigation Monitoring Program and Findings made in conformance with the State CEQA Guidelines (Cal. Code Regs., tit. 14, §§ 15091, 15096), as contained in Exhibits C and D, respectively, to Calendar Item C24 at the October 27, 2011, meeting.

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Commission staff reviewed the amendment to extend the construction deadline and determined that would not involve any “substantial changes” or “new information of substantial importance,” resulting in any new or substantially more severe significant impacts, and thus no additional CEQA analysis is required as specified in Public Resources Code section 21166 and section 15162, subdivision (a) of the State CEQA Guidelines.

3. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. Based upon staff’s consultation with the persons nominating such lands and through the CEQA review process, it is staff’s opinion that the project, as proposed, is consistent with its use classification.

**APPROVALS OBTAINED:**

Humboldt County  
California Coastal Commission  
California Department of Fish and Wildlife  
North Coast Regional Water Quality Control Board  
U.S. Army Corps of Engineers

**EXHIBIT:**

- A. Site and Location Map

**RECOMMENDED ACTION:**

It is recommended that the Commission:

**CEQA FINDING:**

Find that an EIR, State Clearinghouse No. 2007062030, was prepared for this Project by the HCRCD and certified on February 24, 2011, and the Commission reviewed and considered the information contained therein.

Find that in its independent judgment, none of the events specified in Public Resources Code section 21166 or State CEQA Guidelines section 15162 resulting in any new or substantially more severe significant impacts has occurred, and therefore, no additional CEQA analysis is required.

**PUBLIC TRUST AND STATE’S BEST INTERESTS:**

Find that the proposed amendment of Lease No. PRC 8955.9 will not substantially impair the public rights to navigation and fishing or substantially interfere with the Public Trust needs and values at this location at this time or for the foreseeable term of the lease, is consistent

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with the common law Public Trust Doctrine, and is in the best interests of the State.

**SIGNIFICANT LANDS INVENTORY FINDING:**

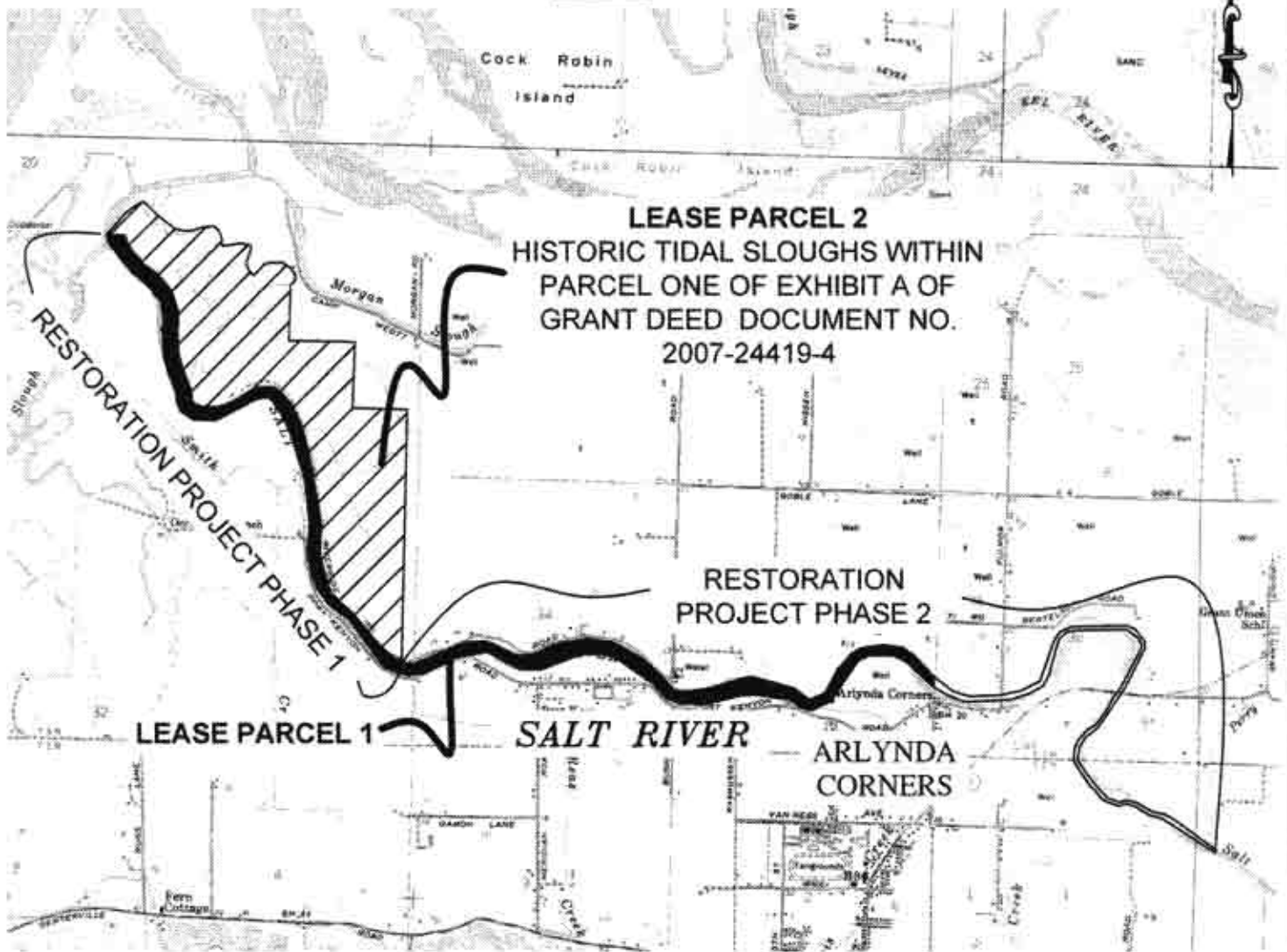
Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370 et seq.

**AUTHORIZATION:**

Authorize the amendment of Lease No. PRC 8955.9, a General Lease – Public Agency Use, effective April 20, 2017, to authorize the extension of the construction completion date to October 26, 2021; all other terms and conditions of the lease will remain in effect without amendment.

NO SCALE

## SITE



### SALT RIVER ECOSYSTEM RESTORATION PROJECT

NO SCALE

## LOCATION



MAP SOURCE: USGS QUAD

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

## **Exhibit A**

PRC 8955.9 (W 26450)  
HUMBOLDT COUNTY  
RESOURCE CONS. DIST.  
GENERAL LEASE -  
PUBLIC AGENCY USE  
HUMBOLDT COUNTY



DJF 11/26/2012